

SENATE BILL NO. 322

INTRODUCED BY D. SHEA, MASOLO, BECK, CHRISTIAENS, COCCHIARELLA, COLE, CRISMORE,
DALE, DOHERTY, ELLINGSON, ERICKSON, FACEY, GALLUS, GOLIE, GRIMES, HALLIGAN,
HARRINGTON, LASLOVICH, LAWSON, MAHLUM, MATTHEWS, MCCARTHY, MCKENNEY, MCNUTT,
MOOD, ROUSH, SPRAGUE, TASH, TESTER, F. THOMAS, WATERMAN

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE NATURAL RESOURCE WORKERS' EDUCATION
PROGRAM; PROVIDING TUITION SCHOLARSHIPS FOR NATURAL RESOURCE WORKERS ~~PERMANENTLY~~
~~UNEMPLOYED~~ DUE TO A CLOSURE OR A PERMANENT REDUCTION IN FORCE ~~SINCE~~ ON OR AFTER
JANUARY 1, ~~1995~~ 1998, TO OBTAIN AN EDUCATIONAL DEVELOPMENT EQUIVALENCY DIPLOMA OR
TO RECEIVE EDUCATION OR RETRAINING IN A TRAINING, CERTIFICATE, OR DEGREE PROGRAM FOR
A MAXIMUM OF TWO YEARS AT A COMMUNITY COLLEGE, TRIBAL COLLEGE, OR UNIT OF THE
MONTANA UNIVERSITY SYSTEM; PROVIDING FOR ELIGIBILITY CRITERIA FOR A TUITION
SCHOLARSHIP; ~~AMENDING SECTION 15-38-106, MCA;~~ AUTHORIZING THE DEPARTMENT OF LABOR
AND INDUSTRY TO ACCEPT PRIVATE DONATIONS AND GRANTS FOR SUPPORT OF THE PROGRAM;
DEPOSITING A PORTION OF THE RESOURCE INDEMNITY AND GROUND WATER ASSESSMENT TAXES
IN THE NATURAL RESOURCE WORKERS' TUITION SCHOLARSHIP ACCOUNT; REQUIRING EXPENDITURE
OF PRIVATE DONATIONS AND GRANTS PRIOR TO USE OF RESOURCE INDEMNITY AND GROUND WATER
ASSESSMENT TAXES; AMENDING 15-38-106, MCA; AND PROVIDING AN EFFECTIVE DATE DATES, AN
APPLICABILITY PROVISION, AND A A TERMINATION DATE DATES DATE."

WHEREAS, the economy of Montana is in transition ~~from a natural resource-based economy~~ to a
new economy that will necessitate a workforce trained for the new economy; and

WHEREAS, since 1995, the closure of timber mills, such as American Timber, JD Timber, Darby
Lumber, Crown Pacific, Louisiana Pacific, Missoula White Pine, and others, has resulted in the loss of
approximately 1,500 jobs in the timber industry; and

WHEREAS, since 1995, an estimated 200 jobs have been lost in the oil and gas industry with the
closure of Equitable Resources and JN Oil and Gas; and

WHEREAS, another estimated 1,175 jobs have been lost since 1995 in the mining industry as a
result of reductions at Montana Resources International, Mineral Hill Mine, Zortman-Landusky Mine, Basin

1 Creek Mine, Beal Mountain Mine, and Diamond Hill Mine; and

2 WHEREAS, the shift ~~from a natural resource-based economy~~ has left many hard-working
3 Montanans, who are the state's greatest asset, without employment and unqualified to fill positions
4 created in the new economy.

5

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

7

8 NEW SECTION. **Section 1. Short title.** [Sections 1 through ~~6 5 6~~] may be cited as the "Natural
9 Resource Workers' Education Program".

10

11 NEW SECTION. **Section 2. Purpose.** It is the intent of the legislature to:

12 (1) provide the natural resource workers in Montana who have lost their jobs in the natural
13 resource industry an opportunity to obtain the education and training necessary to find employment in the
14 state that will allow the workers to support their families, save and invest for retirement, and enjoy the
15 recreational opportunities that Montana offers; and

16 (2) help retain a workforce that has made valuable contributions to the state and that will continue
17 to be a valuable asset as Montana moves into the new economy.

18

19 NEW SECTION. **Section 3. Definitions.** As used in [sections 1 through ~~6 5 6~~], the following
20 definitions apply:

21 (1) "Book allowance" means a payment of \$150 a semester for an eligible student who is enrolled
22 at least half-time or \$75 a semester for a student who is enrolled less than half-time that must be used
23 to purchase books or supplies for the student's course of study.

24 (2) "FULL-TIME, PERMANENT EMPLOYEE" MEANS A PERSON WHO WORKED AT LEAST AN AVERAGE OF 32 HOURS
25 EACH WEEK DURING THE TRADITIONAL WORK SEASON.

26 ~~(2)(3)~~ (3) "Natural resource industry" means the fields of oil and gas development, mining, SMELTING,
27 or timber harvester processing or industries directly related to oil and gas development, mining, SMELTING,
28 or timber harvester processing.

29 ~~(3)(4)~~ (4) "Tuition scholarship" means tuition and mandatory fees, excluding room and board, rounded
30 up to the nearest dollar, and a book allowance that are not covered by the federal Pell grant program,

1 federal supplemental educational grant program, or Workforce Investment Act of 1998.

2

3 NEW SECTION. Section 4. Program administration. (1) The department of labor and industry
4 shall administer the natural resource workers' education program and shall adopt ~~procedures~~ RULES to
5 implement the requirements of [sections 1 through ~~5~~ 6], including but not limited to:

6 (a) procedures regarding the application process for eligible individuals to obtain tuition and
7 notification of the office of public instruction, the board of regents, COMMUNITY COLLEGES, TRIBAL COLLEGES,
8 and the state job service of all criteria, procedures, and timelines; ~~and~~

9 (b) procedures for ~~annual~~ ANNUAL disbursement of tuition scholarships and for developing a formula
10 for proration of scholarships ~~from the natural resource workers' tuition scholarship account established~~
11 ~~in [section 6]~~ FROM THE NATURAL RESOURCE WORKERS' TUITION SCHOLARSHIP ACCOUNT ESTABLISHED IN [SECTION 6]
12 to the office of public instruction, COMMUNITY COLLEGES, TRIBAL COLLEGES, or the board of regents to pay for
13 tuition scholarships awarded to eligible individuals; AND

14 (C) PROCEDURES TO LIMIT THE TRAINING AVAILABLE TO EACH ELIGIBLE INDIVIDUAL TO A MAXIMUM OF 2 YEARS.

15 (2) Before the registration period each semester, the department of labor and industry shall:

16 (a) submit to the office of public instruction, COMMUNITY COLLEGES, TRIBAL COLLEGES, and the board
17 of regents the names of those who have applied for the program and have met the eligibility requirements
18 prescribed in [section 5]; and

19 (b) transmit ~~from the natural resource workers' tuition scholarship account~~ FROM THE NATURAL
20 RESOURCE WORKERS' TUITION SCHOLARSHIP ACCOUNT to the office of public instruction, COMMUNITY COLLEGES,
21 TRIBAL COLLEGES, or THE board of regents the total amount necessary for payment of all tuition scholarships.
22 The office of public instruction or the board of regents shall transmit the payment for each scholarship to
23 the financial officer of the school district or the unit of the university system in which the eligible student
24 is enrolled.

25 (C) ENTER INTO A CONTRACT OR STATE-TRIBAL COOPERATIVE AGREEMENT, PURSUANT TO TITLE 18, CHAPTER
26 11, WITH TRIBAL GOVERNMENTS TO PROVIDE THE DEPARTMENT WITH INFORMATION REQUIRED UNDER THIS SECTION FOR
27 PARTICIPATION IN THE PROGRAM.

28 (3) Within 30 days after the end of registration each semester, the school district, COMMUNITY
29 COLLEGE, TRIBAL COLLEGE, or ~~the~~ unit of the university system shall certify to ~~either~~ the superintendent of
30 public instruction ~~or~~ the board of regents, OR THE DEPARTMENT, AS APPLICABLE, the eligibility status of each

individual who receives a tuition scholarship. After the end of the drop and add period, the school district,
COMMUNITY COLLEGE, TRIBAL COLLEGE, or ~~the~~ unit of the university system is not required to reevaluate or
 revise an individual's eligibility status, ~~but shall make a refund to the department of labor and industry if~~
~~a student who receives a scholarship terminates enrollment for any reason during an academic term, BUT~~
SHALL MAKE A REFUND TO THE DEPARTMENT OF LABOR AND INDUSTRY IF A STUDENT WHO RECEIVES A SCHOLARSHIP
TERMINATES ENROLLMENT FOR ANY REASON DURING AN ACADEMIC TERM.

(4) A school district, COMMUNITY COLLEGE, TRIBAL COLLEGE, or ~~each~~ unit of the university system that
 receives a tuition scholarship payment shall prepare and submit to the department of labor and industry
 by March 1 of each year a report that includes an audit of the district's, COLLEGE'S, or unit's administration
 of the tuition scholarships and a complete accounting of the tuition funds.

(5) If a tuition scholarship recipient transfers from one school district, COMMUNITY COLLEGE, TRIBAL
COLLEGE, or unit of the university system to another and continues to meet eligibility requirements, the
 tuition scholarship must be transferred with the recipient.

(6) A tuition scholarship recipient may apply the tuition scholarship to any TRAINING, CERTIFICATE,
OR degree program offered at a COMMUNITY COLLEGE, TRIBAL COLLEGE, OR unit of the university system.

(7) BY JUNE 30 OF EACH EVEN-NUMBERED YEAR, THE DEPARTMENT OF LABOR AND INDUSTRY SHALL REPORT
THE FOLLOWING TO THE LEGISLATIVE FINANCE COMMITTEE:

(A) THE NUMBER OF PERSONS PARTICIPATING IN THE PROGRAM;

(B) THE TRAINING ~~OR EDUCATION,~~ CERTIFICATE, OR DEGREE PROGRAM IN WHICH EACH PARTICIPANT IS ENROLLED
OR THAT EACH PARTICIPANT HAS COMPLETED AND THE LOCATION OF THE PROGRAM; AND

(C) THE NUMBER OF JOB PLACEMENTS AND THE AVERAGE SALARY RECEIVED; AND

(D) THE AGENCY COSTS ASSOCIATED WITH ADMINISTERING THE PROGRAM.

NEW SECTION. **Section 5. Eligibility requirements.** (1) To be eligible to receive a tuition
 scholarship through the natural resource workers' education program, an individual seeking a general
 educational development equivalency diploma THROUGH A PROGRAM APPROVED FOR FUNDING BY THE
SUPERINTENDENT OF PUBLIC INSTRUCTION or ~~an associate, baccalaureate, or postgraduate degree~~ ENROLLED IN
A TRAINING, CERTIFICATE, OR DEGREE PROGRAM OFFERED at A COMMUNITY COLLEGE OR TRIBAL COLLEGE LOCATED IN
MONTANA OR a unit of the Montana university system, as identified in 20-25-201, must:

(a) be classified as a Montana resident for in-state tuition at the time of application;

(b) have proof of employment through pay stubs, W-2 records, or ~~state job service division~~ records ~~OF THE DEPARTMENT OF LABOR AND INDUSTRY~~ that the individual was employed as a full-time, permanent employee for a minimum of ~~1 year~~ 3 YEARS IN SUCCESSION in a natural resource industry located in Montana; and

(c) have been unemployed ~~BY A NATURAL RESOURCE EMPLOYER~~ in a natural resource industry ~~since DUE TO A CLOSURE OR A PERMANENT REDUCTION IN FORCE OCCURRING ON OR AFTER JANUARY 1, 1998, BY AN EMPLOYER IN A NATURAL RESOURCE INDUSTRY LOCATED IN MONTANA ON OR AFTER January 1, 1995. A WORKER WHO HAS BEEN AFFECTED ONLY BY A TEMPORARY OR SEASONAL LAYOFF IS NOT ELIGIBLE FOR A TUITION SCHOLARSHIP.~~

(2) An individual who meets the requirements of subsection (1) and who is seeking a general educational development equivalency diploma shall enroll in a program THAT HAS BEEN approved FOR FUNDING by the office of public instruction.

(3) AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF SUBSECTION (1) AND WHO IS SEEKING A SCHOLARSHIP FOR A TRAINING OR CERTIFICATE PROGRAM SHALL ENROLL IN A PROGRAM THAT HAS BEEN APPROVED BY A COMMUNITY COLLEGE, TRIBAL COLLEGE, OR UNIT OF THE UNIVERSITY SYSTEM.

~~(3)(4)~~ A freshman student who meets the requirements of subsection (1), ~~has received a general educational development equivalency diploma after July 1, 2001, or has completed a nonpublic study program~~ and has been admitted, enrolled, or classified as an undergraduate student in a matriculated status is eligible to receive a retroactive scholarship to be paid at the end of the freshman year if the student earns a cumulative grade point average of at least 2.0 at the end of the school term in which the student attempted 30 semester hours.

~~(4)(5)~~ To be eligible to receive a scholarship, a sophomore student seeking an associate or baccalaureate degree at a postsecondary institution must meet the ~~residency requirement provided in~~ REQUIREMENTS OF subsection (1) and:

(a) must have attempted a minimum of 30 semester hours at a postsecondary school;

(b) must have earned a cumulative grade point average of at least 2.0 at the end of the school term in which the student attempted 30 semester hours;

(c) must have maintained satisfactory academic progress in a course of study pursuant to the standards and practices used for federal Title IV programs by the postsecondary institution in which the student is enrolled; and

(d) must meet enrollment standards by being admitted, enrolled, and classified as an

1 undergraduate student in a matriculated status.

2 ~~(5)(6)~~ To be eligible to receive a scholarship, a junior student seeking a baccalaureate degree at
3 a postsecondary institution must meet the ~~residency requirement provided in~~ REQUIREMENTS OF subsection
4 (1) and:

5 (a) must have earned a cumulative grade point average of at least 2.0 at the end of the school
6 term in which the student attempted 60 semester hours;

7 (b) must have maintained satisfactory academic progress in a course of study pursuant to
8 standards and practices used for federal Title IV programs by the postsecondary institution in which the
9 student is enrolled; and

10 (c) must meet enrollment standards by being admitted, enrolled, and classified as an
11 undergraduate student in a matriculated status.

12 ~~(6)(7)~~ To be eligible to receive a scholarship, a senior student seeking a baccalaureate degree at
13 a postsecondary institution must meet the ~~residency requirement provided in~~ REQUIREMENTS OF subsection
14 (1) and:

15 (a) must have earned a cumulative grade point average of at least 2.0 at the end of the school
16 term in which the student attempted 90 semester hours;

17 (b) must have maintained satisfactory academic progress in a course of study pursuant to the
18 standards and practices used for federal Title IV programs by the postsecondary institution in which the
19 student is enrolled; and

20 (c) must meet enrollment standards by being admitted, enrolled, and classified as an
21 undergraduate student in a matriculated status.

22 ~~(7)(8)~~ If a student fails to maintain a cumulative grade point average of at least 2.0 at the end of
23 the school term in which the student attempted 30 semester hours, the scholarship is terminated.

24 ~~(8)(9)~~ An otherwise eligible student who regains a cumulative grade point average of at least 2.0
25 at the end of a school term in which the student attempted 60 semester hours may requalify for a
26 scholarship.

27 ~~(9)(10)~~ A student is ineligible to receive a scholarship if the student:

28 (a) if a male, failed to meet the federal Title IV selective service system registration requirements;

29 (b) is in default on a federal Title IV or state of Montana educational loan or owes a refund on a
30 federal Title IV or state of Montana student financial aid program;

(c) has been convicted for committing certain felony offenses involving marijuana, controlled substances, or dangerous drugs; or

(d) is incarcerated. Upon release, the student may begin receiving scholarship payments if the student meets all other eligibility requirements. If approved by the board of regents, credits earned during incarceration may be counted toward eligibility.

~~NEW SECTION. Section 6. Natural resource workers' tuition scholarship account -- proration of tuition scholarships.~~ (1) There is a natural resource workers' tuition scholarship account in the state special revenue fund provided for in 17-2-102.

~~(2) A total of \$300,000 each fiscal year from the resource indemnity trust fund, established in 15-38-201, OF THE RESOURCE INDEMNITY GROUND WATER ASSESSMENT TAXES ALLOCATED UNDER 15-38-106 must be deposited into the account to the credit of the department of labor and industry to fund tuition scholarships awarded pursuant to [sections 1 through 5] AND TO PAY COSTS ASSOCIATED WITH ADMINISTERING THE SCHOLARSHIP PROGRAM. The department shall transfer funds to the adult education account in the office of public instruction, TO THE APPROPRIATE FUND IN A COMMUNITY COLLEGE OR TRIBAL COLLEGE LOCATED IN MONTANA, or to the appropriate tuition fund in the appropriate unit of the university system.~~

~~(3) Money on deposit in the account may not revert to the general fund at the close of any fiscal year.~~

~~(4) If funds appropriated are not adequate to provide the maximum allowable tuition scholarships to each eligible individual, the tuition scholarships must be prorated for all eligible individuals, using a percentage reduction adopted by the department of labor and industry.~~

~~Section 7. Section 15-38-106, MCA, is amended to read:~~

~~"15-38-106. (Temporary) Payment of tax -- records -- collection of taxes -- refunds.~~ (1) The tax imposed by this chapter must be paid by each person to which the tax applies, on or before March 31, on the value of product in the year preceding January 1 of the year in which the tax is paid. The tax must be paid to the department at the time that the statement of yield for the preceding calendar year is filed with the department.

~~(2) The department shall, in accordance with the provisions of 15-1-501, deposit in the following order:~~

1 ~~—— (a) 50% of the proceeds of the tax in the resource indemnity trust fund of the nonexpendable trust~~
2 ~~fund type;~~
3 ~~—— (b) \$300,000 of the remaining proceeds in the ground water assessment account established by~~
4 ~~85-2-905;~~
5 ~~—— (c) 50% of the remaining proceeds in the reclamation and development grants account established~~
6 ~~by 90-2-1104; and~~
7 ~~—— (d) all remaining proceeds in the orphan share account established in 75-10-743.~~
8 ~~—— (3) Each person to whom the tax applies shall keep records in accordance with 15-38-105, and~~
9 ~~the records are subject to inspection by the department upon reasonable notice during normal business~~
10 ~~hours.~~
11 ~~—— (4) The department shall examine the statement and compute the taxes to be imposed, and the~~
12 ~~amount computed by the department is the tax imposed, assessed against, and payable by the taxpayer.~~
13 ~~If the tax found to be due is greater than the amount paid, the excess must be paid by the taxpayer to the~~
14 ~~department within 30 days after written notice of the amount of deficiency is mailed by the department~~
15 ~~to the taxpayer. If the tax imposed is less than the amount paid, the difference must be applied as a tax~~
16 ~~credit against tax liability for subsequent years or refunded if requested by the taxpayer.~~
17 ~~—— **15-38-106. (Effective on occurrence of contingency) Payment of tax -- records -- collection of**~~
18 ~~**taxes -- refunds.** (1) The tax imposed by this chapter must be paid by each person to which the tax~~
19 ~~applies, on or before March 31, on the value of product in the year preceding January 1 of the year in~~
20 ~~which the tax is paid. The tax must be paid to the department at the time that the statement of yield for~~
21 ~~the preceding calendar year is filed with the department.~~
22 ~~—— (2) The department shall, in accordance with the provisions of 15-1-501, deposit in the following~~
23 ~~order:~~
24 ~~—— (a) \$366,000 of the proceeds in the ground water assessment account established by 85-2-905;~~
25 ~~—— (b) \$300,000 of the proceeds each fiscal year in the natural resource workers' tuition scholarship~~
26 ~~account established in [section 6];~~
27 ~~—— (b)(c) 50% of the remaining proceeds in the orphan share account established in 75-10-743; and~~
28 ~~—— (c)(d) all remaining proceeds in the reclamation and development grants account established by~~
29 ~~90-2-1104, for the purpose of making grants to be used for mineral development reclamation projects.~~
30 ~~—— (3) Each person to whom the tax applies shall keep records in accordance with 15-38-105, and~~

1 the records are subject to inspection by the department upon reasonable notice during normal business
2 hours.

3 ~~—— (4) The department shall examine the statement and compute the taxes to be imposed, and the~~
4 ~~amount computed by the department is the tax imposed, assessed against, and payable by the taxpayer.~~
5 ~~If the tax found to be due is greater than the amount paid, the excess must be paid by the taxpayer to the~~
6 ~~department within 30 days after written notice of the amount of deficiency is mailed by the department~~
7 ~~to the taxpayer. If the tax imposed is less than the amount paid, the difference must be applied as a tax~~
8 ~~credit against tax liability for subsequent years or refunded if requested by the taxpayer."~~

9

10 NEW SECTION. SECTION 6. NATURAL RESOURCE WORKERS' TUITION SCHOLARSHIP ACCOUNT -- PRORATION
11 OF TUITION SCHOLARSHIPS. (1) THERE IS A NATURAL RESOURCE WORKERS' TUITION SCHOLARSHIP ACCOUNT IN THE STATE
12 SPECIAL REVENUE FUND PROVIDED FOR IN 17-2-102.

13 (2) MONEY RECEIVED BY THE DEPARTMENT OF LABOR AND INDUSTRY FROM PRIVATE DONATIONS OR GRANTS
14 MUST BE DEPOSITED INTO THE ACCOUNT AND EXPENDED TO FUND TUITION SCHOLARSHIPS AND TO PAY COSTS ASSOCIATED
15 WITH ADMINISTERING THE PROGRAM PRIOR TO EXPENDITURE OF MONEY ALLOCATED AND DEPOSITED IN THE ACCOUNT FROM
16 THE RESOURCE INDEMNITY AND GROUND WATER ASSESSMENT TAXES PURSUANT TO SUBSECTION (3).

17 ~~(2)(3)~~ MONEY ALLOCATED FROM THE RESOURCE INDEMNITY AND GROUND WATER ASSESSMENT TAXES UNDER
18 15-38-106 MUST BE DEPOSITED INTO THE ACCOUNT TO THE CREDIT OF THE DEPARTMENT OF LABOR AND INDUSTRY TO
19 FUND TUITION SCHOLARSHIPS AWARDED PURSUANT TO [SECTIONS 1 THROUGH 5 6] AND TO PAY COSTS ASSOCIATED WITH
20 ADMINISTERING THE SCHOLARSHIP PROGRAM. THE DEPARTMENT SHALL TRANSFER FUNDS TO THE ADULT EDUCATION
21 ACCOUNT IN THE OFFICE OF PUBLIC INSTRUCTION, TO THE APPROPRIATE FUND IN A COMMUNITY COLLEGE OR TRIBAL
22 COLLEGE LOCATED IN MONTANA, OR TO THE APPROPRIATE TUITION FUND IN THE APPROPRIATE UNIT OF THE UNIVERSITY
23 SYSTEM.

24 ~~(3)(4)~~ MONEY ON DEPOSIT IN THE ACCOUNT MAY NOT REVERT TO THE GENERAL FUND AT THE CLOSE OF ANY
25 FISCAL YEAR. AFTER THE INITIAL ALLOCATION OF MONEY FROM 15-38-106 IN THE FIRST YEAR FOLLOWING [THE
26 EFFECTIVE DATE OF THIS SECTION], THE AMOUNT OF MONEY ALLOCATED UNDER 15-38-106 AT THE BEGINNING OF EACH
27 SUCCEEDING FISCAL YEAR MAY BE ONLY THE AMOUNT NECESSARY TO RESTORE THE BALANCE OF THE SCHOLARSHIP TO
28 \$150,000, INCLUDING ANY PRIVATE DONATIONS OR GRANTS.

29 ~~(4)(5)~~ IF FUNDS APPROPRIATED ARE NOT ADEQUATE TO PROVIDE THE MAXIMUM ALLOWABLE TUITION
30 SCHOLARSHIPS TO EACH ELIGIBLE INDIVIDUAL, THE TUITION SCHOLARSHIPS MUST BE PRORATED FOR ALL ELIGIBLE

1 INDIVIDUALS, USING A PERCENTAGE REDUCTION ADOPTED BY THE DEPARTMENT OF LABOR AND INDUSTRY.

2

3 **SECTION 7. SECTION 15-38-106, MCA, IS AMENDED TO READ:**

4 **"15-38-106. (Temporary) Payment of tax -- records -- collection of taxes -- refunds.** (1) The tax
5 imposed by this chapter must be paid by each person to which the tax applies, on or before March 31,
6 on the value of product in the year preceding January 1 of the year in which the tax is paid. The tax must
7 be paid to the department at the time that the statement of yield for the preceding calendar year is filed
8 with the department.

9 (2) The department shall, in accordance with the provisions of 15-1-501, deposit in the following
10 order:

11 (a) 50% of the proceeds of the tax in the resource indemnity trust fund of the nonexpendable trust
12 fund type;

13 (b) \$300,000 of the ~~remaining~~ proceeds of the resource indemnity and ground water assessment
14 taxes in the ground water assessment account established by 85-2-905;

15 (c) 50% of the remaining proceeds in the reclamation and development grants account established
16 by 90-2-1104; and

17 (d) all remaining proceeds in the orphan share account established in 75-10-743.

18 (3) Each person to whom the tax applies shall keep records in accordance with 15-38-105, and
19 the records are subject to inspection by the department upon reasonable notice during normal business
20 hours.

21 (4) The department shall examine the statement and compute the taxes to be imposed, and the
22 amount computed by the department is the tax imposed, assessed against, and payable by the taxpayer.
23 If the tax found to be due is greater than the amount paid, the excess must be paid by the taxpayer to the
24 department within 30 days after written notice of the amount of deficiency is mailed by the department
25 to the taxpayer. If the tax imposed is less than the amount paid, the difference must be applied as a tax
26 credit against tax liability for subsequent years or refunded if requested by the taxpayer.

27 **15-38-106. (Effective on occurrence of contingency) Payment of tax -- records -- collection of**
28 **taxes -- refunds.** (1) The tax imposed by this chapter must be paid by each person to which the tax
29 applies, on or before March 31, on the value of product in the year preceding January 1 of the year in
30 which the tax is paid. The tax must be paid to the department at the time that the statement of yield for

1 the preceding calendar year is filed with the department.

2 (2) The department shall, in accordance with the provisions of 15-1-501, deposit in the following
3 order:

4 (a) \$366,000 of the proceeds of the resource indemnity and ground water assessment taxes in
5 the ground water assessment account established by 85-2-905;

6 (B) 50% OF THE REMAINING PROCEEDS IN THE RECLAMATION AND DEVELOPMENT GRANTS ACCOUNT ESTABLISHED
7 BY 90-2-1104, FOR THE PURPOSE OF MAKING GRANTS TO BE USED FOR MINERAL DEVELOPMENT RECLAMATION PROJECTS;

8 (b)(c) \$150,000 of the REMAINING proceeds of the resource indemnity and ground water
9 assessment taxes in the natural resource workers' tuition scholarship account established in [section 6]
10 for the first fiscal year following [the effective date of this section] and for succeeding fiscal years, the
11 amount required under [section 6(3) 6(4)];

12 (b)(c)(d) 50% of the ALL remaining proceeds in the orphan share account established in 75-10-743;
13 ~~and~~

14 ~~—— (c)(d) all remaining proceeds in the reclamation and development grants account established by~~
15 ~~90-2-1104, for the purpose of making grants to be used for mineral development reclamation projects.~~

16 (3) Each person to whom the tax applies shall keep records in accordance with 15-38-105, and
17 the records are subject to inspection by the department upon reasonable notice during normal business
18 hours.

19 (4) The department shall examine the statement and compute the taxes to be imposed, and the
20 amount computed by the department is the tax imposed, assessed against, and payable by the taxpayer.
21 If the tax found to be due is greater than the amount paid, the excess must be paid by the taxpayer to the
22 department within 30 days after written notice of the amount of deficiency is mailed by the department
23 to the taxpayer. If the tax imposed is less than the amount paid, the difference must be applied as a tax
24 credit against tax liability for subsequent years or refunded if requested by the taxpayer."
25

26 NEW SECTION. Section 8. Codification instruction. [Sections 1 through ~~6 5 6~~] are intended to
27 be codified as an integral part of Title 39, and the provisions of Title 39 apply to [sections 1 through ~~6 5~~
28 ~~6~~].

29
30 ~~—— NEW SECTION. SECTION 7. CONTINGENT VOIDNESS. IF STATE OR FEDERAL FUNDS ARE NOT APPROPRIATED~~

~~OR RESERVED TO THE DEPARTMENT OF LABOR AND INDUSTRY IN HOUSE BILL NO. 2 FOR EACH OF THE FISCAL YEARS 2002 AND 2003, OR IF PRIVATE FUNDS ARE NOT PLEDGED TO THE DEPARTMENT OF LABOR AND INDUSTRY TO PAY FOR THE NATURAL RESOURCE WORKERS' EDUCATION PROGRAM IN [SECTIONS 1 THROUGH 5], THEN [THIS ACT] IS VOID.~~

NEW SECTION. Section 9. Effective date DATES -- applicability CONTINGENCY. ~~[This act] (1) EXCEPT AS PROVIDED IN SUBSECTION (2)~~ SUBSECTIONS (2) AND (3), [THIS ACT] is effective on July 1, 2001.

~~(2) [SECTION 7] IS EFFECTIVE ON JULY 1 immediately following the date that the governor by executive order certifies to the secretary of state that the resource indemnity trust fund balance has reached \$100 million and applies to the then current academic year, 2001~~ IMMEDIATELY FOLLOWING THE DATE THAT THE GOVERNOR BY EXECUTIVE ORDER CERTIFIES TO THE SECRETARY OF STATE THAT THE RESOURCE INDEMNITY TRUST FUND BALANCE HAS REACHED \$100 MILLION AND APPLIES TO THE THEN-CURRENT ACADEMIC YEAR. ~~THE SECRETARY OF STATE SHALL FORWARD A COPY OF THE EXECUTIVE ORDER TO THE CODE COMMISSIONER.~~

~~(2)(3) [SECTION 4(1) AND THIS SECTION] ARE EFFECTIVE ON PASSAGE AND APPROVAL.~~

NEW SECTION. Section 10. Termination. ~~[This act] terminates (1) [SECTIONS 6(2) AND 7] TERMINATE on June 30, 5 years after [the effective date of this act PROVIDED IN SECTION 9(1)].~~

~~———— (2) [SECTIONS 1 THROUGH 5, 6(1), 6(3), AND 6(4) TERMINATE ON JUNE 30, 6 YEARS AFTER [THE EFFECTIVE DATE PROVIDED IN SECTION 9(1)] [THIS ACT] TERMINATES JUNE 30, 2006. (1) [SECTIONS 6(2) AND 7] TERMINATE ON JUNE 30, 5 YEARS AFTER [THE EFFECTIVE DATE PROVIDED IN SECTION 9(1)].~~

~~———— (2) [SECTIONS 1 THROUGH 5, 6(1), 6(3), AND 6(4) TERMINATE [THIS ACT] TERMINATES ON JUNE 30, 6 5 YEARS AFTER [THE EFFECTIVE DATE PROVIDED IN SECTION 9(1) 9(2)].~~

- END -